

PUBLIC SERVICE COMMISSION OF WISCONSIN

Minutes and Informal Instructions of the Open Meeting of Wednesday, August 26, 2015

The Public Service Commission of Wisconsin (Commission) met as noticed. Present in person were Chairperson Nowak and Commissioner Montgomery. Commissioner Huebsch participated by telephone.

Minutes

The Commission approved the minutes of the open meeting of Thursday, August 13, 2015.

4110-ER-109 - Application of City of New Holstein, Calumet County, Wisconsin, as an Electric Public Utility, for Authority to Increase Electric Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

4530-ER-104 - Application of the Village of Pardeeville, Columbia County, Wisconsin, as an Electric Public Utility, for Authority to Increase Electric Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6630-FR-105 - Application of Wisconsin Electric Power Company for Authorization to Implement New Electric Rates According to its 2016 Fuel Cost Plan

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

1480-WR-106 - Application of City of Cudahy Water Utility, Milwaukee County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

2105-WR-107 - Application of Franklin Municipal Water Utility, Milwaukee County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

2980-WR-101 - Application of Lake Geneva Utility Commission, Walworth County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

3350-WR-104 - Application of the Village of Marathon Water and Sewer Utility, Marathon County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

4930-WR-103 - Application of Random Lake Municipal Water Department, Sheboygan County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5470-WR-104 - Application of Shullsburg Water Utility, Lafayette County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

3270-FR-104 - Application of Madison Gas and Electric Company for Authority to Implement a Fuel Credit for its 2015 and 2016 Fuel Cost Plans

The Commission accepted, on an interim basis, the application filed on behalf of Madison Gas and Electric Company to combine the 2013 remaining credit of \$238,000, the credit of \$5.7 million associated with the first half of 2015, and the estimated reduction in 2016 fuel costs of \$5 million into a credit of \$10.9 million to be returned to the ratepayers over a period from September 1, 2015, through December 31, 2016, in the amount of \$0.00256 per kilowatt-hour. After the Commission makes a final determination on the forecasted revenue requirement associated with the 2016 fuel cost plan, any adjustments to the interim fuel credits will be made at the time that the 2015 fuel reconciliation is completed.

The Commission directed the Secretary to the Commission, on behalf of the Commission, to sign the Interim Order relating to this matter.

In the Matters of:

WC Docket No. 11-42 – Lifeline and Link Up Reform and Modernization

WC Docket No. 09-197 – Telecommunications Carriers Eligible for Universal Service Support

WC Docket No. 10-90 – Connect America Fund

Initial Comments to the Federal Communications Commission (suggested minute)

The Commission approved the comments and directed Commission staff to file them with the Federal Communications Commission in Docket Nos. WC 11-42, WC 09-197, and WC 10-90 to address the issues raised regarding Lifeline eligibility determinations.

9300-SI-118 - Complaint of Algoma Sanitary District No. 1 Against City of Omro Waste Water Treatment Facility

The Commission determined that there does appear to be sufficient cause for the complaint filed on behalf of the Algoma Sanitary District No. 1 (Algoma), alleging that the City of Omro's (Omro) sewer rates, rules or practices are unreasonable and/or unjustly discriminatory.

The Commission directed Commission staff to proceed with a hearing on issues 1, 2, 4, 5, 6, 7 and 9 (as set out in the commission staff memorandum dated August 13, 2015).

In regard to issue 2, the Commission recognized that Omro is continuing to investigate this issue. If, upon completion of that investigation, Omro's investigation identifies the origin of the high strength usage and if these new facts reveal that high strength sewage is not a material contributor to the cost of running the treatment plant (with the exception of the waste haulers), then this issue shall be sent to hearing. If Omro's investigation reveals no new information, then the issue shall not go to hearing.

The Commission determined that there was no need to proceed to hearing on issue 3.

In regard to issues 6 and 7, the Commission determined that it would need additional information as to Omro's quarterly service charges of \$34.20 per connected unit, Algoma's fixed fees that may be in excess of the amount of Omro's Clean Water Fund Loan payments (plus 10 percent debt service coverage) and whether any excess funds collected are being set aside for further plant upgrades.

The Commission granted the Motion for Partial Dismissal of the Complaint filed on behalf of Omro as it related to issue 8.

Commissioner Huebsch dissented as to the decision to grant the motion to dismiss on issue 8 and felt that this issue should proceed to hearing.

The Commission further granted, in part, and denied in part, Omro's Motion for Partial Dismissal as it relates to issue 9. The Commission determined that it would need additional information as to whether the continuation of services in the buffer zone is considered a "practice" and therefore would fall under the Commission's jurisdiction.

Commissioner Huebsch dissented as to the decision to partially grant the motion to dismiss on issue 9 and felt that all of issue 9 should proceed to hearing.

The Commission directed the Division of Water, Compliance and Consumer Affairs to draft an order consistent with its discussion.

CLOSED SESSION – The Commission recessed the open meeting, went into closed session under Wis. Stat. § 19.85(1)(g) to discuss the litigation matters noted below with legal counsel, and reconvened the open meeting pursuant to Wis. Stat. § 19.85(2).

Commissioner Huebsch moved, pursuant to Wis. Stat. § 19.85(1)(g), that the Commission convene in closed session to discuss the litigation matters listed below. Commissioner Montgomery seconded the motion. The motion was carried and the Commission went into closed session.

After a discussion in closed session, the Commission reconvened in open session.

FERC Docket No. ER14-1736-000 – Midcontinent Independent System Operator, Inc.

Cost Allocation for Bills Regarding SPP-MISO Dispute Over Inter-RTO Power Flows

During the discussion held in closed session, information was presented to the Commission regarding the above litigation matter and guidance was provided to Commission staff. No motion was made with respect to this item.

FERC Docket No. EL15-86-000 – ITC Grid Development LLC

Notice of Petition for Declaratory Ruling

Consideration of Commission Participation in Docket

The Commission directed counsel to file a “doc-less” intervention with the Federal Energy Regulatory Commission in FERC Docket No. EL15-86-000, with an explicit reservation of the right to file substantive comments or a protest as circumstances warrant.
The Commission adjourned the meeting at 2:27 p.m.

Sandra J. Paske
Secretary to the Commission

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